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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/850,328	05/07/2001	Jay S. Walker	00-101	2523
22927	7590	12/01/2006	EXAMINER	
WALKER DIGITAL 2 HIGH RIDGE PARK STAMFORD, CT 06905			CHAMPAGNE, DONALD	
			ART UNIT	PAPER NUMBER
			3622	

DATE MAILED: 12/01/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/850,328

Applicant(s)

WALKER ET AL.

Examiner

Donald L. Champagne

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 28 September 2006.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-95 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-95 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 07 May 2001 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

## DETAILED ACTION

### *Claim Rejections - 35 USC § 112*

1. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

2. Claims 82-91 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. At claim 82 line 3, "third party" is indefinite.
3. The common meaning of "third party" is an entity that is independent of some other first and second parties. However, business ownership is arbitrary and readily changeable. Suppose the first and second parties each owned 50% of the third party: would said subsidizer still be a "third party"? (Or would it be a 1-½ party?) Alternatively, suppose that some fourth entity owned 50% of the common stock of each of the three parties: which is the third party, or the first or second party for that matter?

### *Claim Rejections - 35 USC § 102 and 35 USC § 103*

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

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6. Claims 1-18, 20-23, 26-71, 75, and 80-95 are rejected under 35 U.S.C. 102(e) as being anticipated Chen et al. (US006741969B1).
7. Chen et al. teaches (independent claims 1, 56, 60, 65, 69, 71, 75, 80, 81, 82, 92, 93, 94, 95) a method, product and system/apparatus for adjusting prices of one or more items, particularly at a restaurant, the method comprising: receiving a request for and providing an indication of a list of items associated with a restaurant (*menus*, col. 9 lines 48-52), wherein said lists inherently include a plurality of items available from said restaurant, each of said plurality of items having an associated initial price (*the amount to be charged*) and an associated price adjustment (*the incentive*) available upon completion of a qualifying action (paying for the meal), and adjusting the associated initial price of at least one of said plurality of items by its respective price adjustment (col. 7 lines 5-6). Chen et al. also teaches presentation of a payment means (col. 7 lines 1-5 and 6-11), which reads on receiving an indication of a commitment to complete said qualifying action. For claim 1, *the incentive* reads on a subsidy offer.
8. For claims 82-91, the ownership limitation "by at least one third a third party" was not given patentable weight because it is nonfunctional descriptive material (MPEP 2106.II.A) and indefinite (para. 1-3 above).
9. Chen et al. also teaches at the citations given above claims 2-6, 17, 18, 20, 21, 23, 26-34, 36, 37, 39-52, 53 (where anyone who provides the subsidy/*incentive*/*gift certificate* is a "subsidizer"), 54, 56, 63, 64, 68, 83-88, 90 and 91.
10. Chen et al. also teaches claim 7 (auctioning the subsidy/*gift certificate*, col. 1 lines 44-51); claims 8-15, 35, 38, 57-59, 61, 62, 66 and 67, for a variety of disclosed actions, any of which read on a "qualifying action"; claim 16 (when the auction expires (col. 2 line 24); claim 22; and claims 55 and 89, where the subsidizer (e.g., the restaurant) must inherently decide how to allocate the aggregate subsidy/*incentive*.
11. Claims 19, 24, 25, 72-74 and 76-79 are rejected under 35 U.S.C. 103(a) as being obvious over Chen et al. (US006741969B1). Chen et al. does not teach verification. Because verification is common sense ("measure twice, cut once") and easy to achieve (Waiter, will I get the discount if I order this item?), it would have been obvious to one of ordinary skill in the art, at the time of the invention, to add price verification to the teachings of Chen et al.

***Response to Arguments***

12. Applicant's arguments filed with an amendment on 28 September 2006 have been fully considered but they are not persuasive.

13. Applicant argues (p. 24 top) that the examiner has misconstrued "a qualifying action":

"The Examiner asserts that "paying for a meal" in Chen teaches a "qualifying action" of a subsidy offer. Applicants respectfully disagree. Paying for a discounted meal is mere acceptance of an offer for the discounted meal. As explained above, a 'qualifying action' may include many different types of activities that are unrelated to payment for the product, such as test-driving a vehicle at an automobile dealer, switching long distance telephone service providers, and / or accepting a magazine subscription. The 'qualifying action' therefore is an extra action and/or requirement beyond mere payment for a transaction." (Arguments p. 24, top, emphasis added.)

14. Unless a term is given a "clear definition" in the specification (MPEP § 2111.01), the examiner is obligated to give claims their broadest reasonable interpretation, in light of the specification, and consistent with the interpretation that those skilled in the art would reach (MPEP § 2111). An inventor may define specific terms used to describe invention, but must do so "with reasonable clarity, deliberateness, and precision" (MPEP § 2111.01.III). A "clear definition" must establish the metes and bounds of the terms. A clear definition must unambiguously establish what is and what is not included. A clear definition is indicated by a section labeled definitions, or by the use of phrases such as "by xxx we mean"; "xxx is defined as"; or "xxx includes, ... but does not include ...". An example does not constitute a "clear definition" beyond the scope of the example.

15. The instant application contains no such clear definition for the phrase "qualifying action". The phrase is supported at para. [0010] of the published application (US 2002016577A1), but only by examples. What the term "may be" or "may include" is not limiting. Hence, the examiner is required to give the term "qualifying action" its broadest reasonable interpretation, which the examiner judges to be any action that qualifies the user for the price adjustment. Paying for the meal reads on that.

16. Applicant argues,

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"In particular, Chen does not disclose to provide a list of items and a corresponding price adjustment for each item, instead describing an auction system that enables customers to bid for gift certificates, or a system that permits customers to provide "incentive requests" that may be accepted or denied by a restaurant." (P. 24, middle of bottom para.)

Applicant is confused. The teaching of "a list of items and a corresponding price adjustment for each item" is cited in para. 7 above. The reference to an auction is in para. 10 with respect to claim 7.

### ***Conclusion***

17. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).
18. A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.
19. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Donald L Champagne whose telephone number is 571-272-6717. The examiner can normally be reached from 6:30 AM to 5 PM ET, Monday to Thursday. The examiner can also be contacted by e-mail at [donald.champagne@uspto.gov](mailto:donald.champagne@uspto.gov), and *informal* fax communications (i.e., communications not to be made of record) may be sent directly to the examiner at 571-273-6717. The fax phone number for all *formal* matters is 571-273-8300.
20. The examiner's supervisor, Eric Stamber, can be reached on 571-272-6724.
21. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published

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applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

22. **AFTER FINAL PRACTICE** – Consistent with MPEP § 706.07(f) and 713.09, prosecution generally ends with the final rejection. Examiner will grant an interview after final only when applicant presents compelling evidence that “disposal or clarification for appeal may be accomplished with only nominal further consideration” (MPEP § 713.09). The burden is on applicant to demonstrate this requirement, preferably in no more than 25 words. Amendments are entered after final only when the amendments will clearly simplify issues, or put the case into condition for allowance, clearly and without additional search or more than nominal consideration.
23. Applicant may have after final arguments considered and amendments entered by filing an RCE.
24. **ABANDONMENT** – If examiner cannot by telephone verify applicant’s intent to continue prosecution, the application is subject to abandonment six months after mailing of the last Office action. The agent, attorney or applicant point of contact is responsible for assuring that the Office has their telephone number. Agents and attorneys may verify their registration information including telephone number at the Office’s web site, [www.uspto.gov](http://www.uspto.gov). At the top of the home page, click on Site Index. Then click on Agent & Attorney Roster in the alphabetic list, and search for your registration by your name or number.

28 November 2006

  
DONALD L. CHAMPAGNE  
PRIMARY EXAMINER

Donald L. Champagne  
Primary Examiner  
Art Unit 3622